

South Carolina Economic Outlook



South Carolina
Department of Commerce
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Division of Research

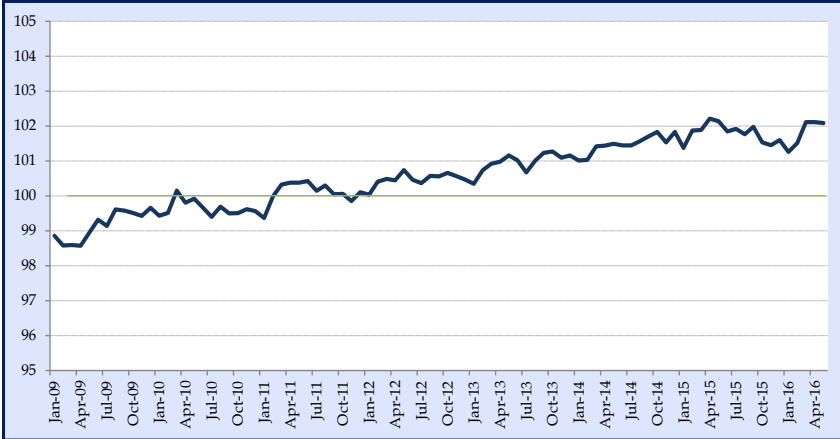
Volume 9 | Issue 6 | June 2016

SC Leading Index with Slight Stutter in May

The South Carolina Leading Index (SCLI) fell 0.03 points to 102.082 in May. This mild disruption was driven by mixed or flat economic indicators. Permits for new residential construction rose 6.3 percent, but the valuation associated with those permits declined 1.2 percent. The Dow Jones Composite Average shaved off a mere 0.1 percent month-over-month. A more pronounced change was seen in Initial Claims for Unemployment Insurance, which rose 12.1 percent in May. The Conference Board's national Leading Economic Index sagged 0.2 percent for the month.

- Brandon Wilkerson

South Carolina Leading Index



Source: South Carolina Department of Commerce

South Carolina Real Estate Surges Upward

The median sales price for a single-family home jumped 4.1 percent in May to \$182,100. Closings were up for the month as well, gaining a remarkable 17.6 percent to 7,674. This represented a 9.3 percent improvement from the same time last year. Foreclosure activity rose, but not tumultuously so, increasing 2.4 percent from last month. For the six largest MSAs, closings rose the most in Florence (+20.7 percent) and Columbia (+20.3 percent). The Columbia MSA also saw a strong gain in median sales price, at 5.2 percent, but was overshadowed by Greenville, where prices rose 9.4 percent. Florence (-5.0 percent) and Spartanburg (-1.4 percent) were the only MSAs showing declines in median sales price; none of the MSAs saw closings fall.

The Research Division at the South Carolina Department of Commerce is a highly-skilled, multidisciplinary team of professionals dedicated to the economic development of South Carolina and the collection, examination, and dissemination of information to support that mission. The Research Division publishes reports and analyses for stakeholders statewide, and furnishes information for companies considering an investment in South Carolina. If you would like to receive Commerce's monthly Economic Outlook, e-mail bwilkerson@SCcommerce.com.

KEY S.C. INDICATORS

Income

+1.6%

State Personal Income

increased to \$192.6 billion in the first quarter of 2016.

U.S. Bureau of Economic Analysis

+0.3%

South Carolina Stock Index

rose 0.31 points in May, closing at 108.95 on the last trading day of the month.

Bloomberg

Employment

+0.5%

Nonfarm Employment

increased by 10,400 net non-seasonally adjusted jobs from the prior month.

U.S. Bureau of Labor Statistics

-0.1%

Labor Force

decreased by 1,505 to 2,314,584, seasonally-adjusted, in May.

U.S. Bureau of Labor Statistics

-0.2%

Unemployment Rate

decreased to 5.6 percent, seasonally-adjusted, for May.

U.S. Bureau of Labor Statistics

-0.2%

Manufacturing Weekly Hours

decreased by 0.1 hours to 42.3 hours in May from 42.4 hours in April.

U.S. Bureau of Labor Statistics

-5.6%

Available Online Job Postings

decreased by 3,600 positions in May to a seasonally-adjusted 60,200 job postings.

The Conference Board Help Wanted Online Index

Real Estate

+4.1%

Single-Family Home Sales Price

increased by \$7,100 to \$182,100 in May.

South Carolina Association of Realtors

+6.3%

Residential Building Permits

increased by 174 permits from the previous month to 2,957 issued in May.

U.S. Census Bureau



South Carolina Employment

Non-Seasonally Adjusted Wage and Salary Employment

South Carolina's total non-seasonally adjusted, nonfarm employment grew by 10,400 net jobs to 2,060,500 in May, improving 0.5 percent since April, and 2.3 percent compared to one year ago. The Leisure and Hospitality sector, which added a net 4,300 jobs, led all other sectors in gains for the third straight month.

Other sectors enjoying strong results were Professional and Business Services, with +2,700 jobs in May, Trade, Transportation, and Utilities (+1,900); and Education and Health Services (+800). Construction picked up 500 net jobs for the month, and outperformed May of last year by 6,000 net jobs (a 6.9 percent boost). Month-over-month, only two sectors -- Information and Government -- reported a net loss of jobs.

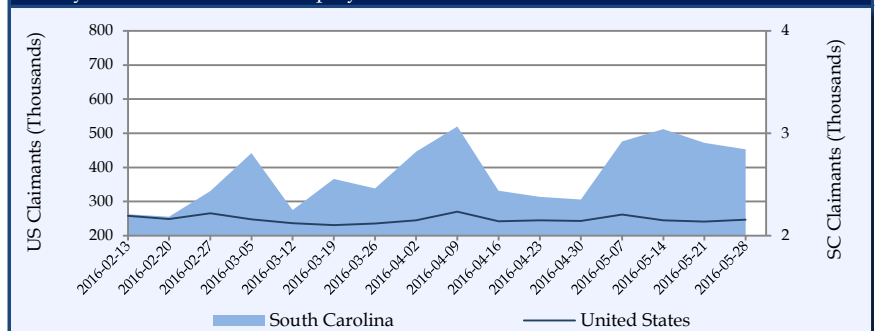
| Industry Sector | May 2016 | Previous Month | Previous Year | % Change Month Ago | % Change Year Ago |
|--------------------------------------|------------------|------------------|------------------|--------------------|-------------------|
| Goods Producing | 335,800 | 334,800 | 325,900 | 0.30 | 3.04 |
| Natural Resources and Mining | 4,100 | 4,100 | 3,900 | 0.00 | 5.13 |
| Construction | 92,400 | 91,900 | 86,400 | 0.54 | 6.94 |
| Manufacturing | 239,300 | 238,800 | 235,600 | 0.21 | 1.57 |
| Service Providing | 1,724,700 | 1,715,300 | 1,689,200 | 0.55 | 2.10 |
| Trade, Transportation, and Utilities | 389,500 | 387,600 | 384,000 | 0.49 | 1.43 |
| Information | 26,300 | 26,500 | 26,800 | -0.75 | -1.87 |
| Finance | 99,100 | 98,400 | 97,300 | 0.71 | 1.85 |
| Professional and Business Services | 274,600 | 271,900 | 261,600 | 0.99 | 4.97 |
| Educational and Health Services | 243,700 | 242,900 | 234,900 | 0.33 | 3.75 |
| Leisure and Hospitality | 249,300 | 245,000 | 246,600 | 1.76 | 1.09 |
| Other Services | 74,500 | 74,400 | 74,200 | 0.13 | 0.40 |
| Total Private | 1,692,800 | 1,681,500 | 1,651,300 | 0.67 | 2.51 |
| Government | 367,700 | 368,600 | 363,800 | -0.24 | 1.07 |
| Total Nonfarm | 2,060,500 | 2,050,100 | 2,015,100 | 0.51 | 2.25 |

Source: U.S. Department of Labor, Bureau of Labor Statistics

Weekly Unemployment Claims

The number of Initial Claims for Unemployment Insurance in the state grew slightly in May. The average for the month was 2,927 weekly initial claims, a 12.1 percent increase versus April, and 4.5 percent higher than one year prior. This figure, however, was 10.5 percent lower than two years ago. All the most populous MSAs saw increases, with Myrtle Beach and Florence reporting the steepest jumps, at 21.4 percent and 17.4 percent, respectively. Greenville and Charleston, meanwhile, were nearly flat (+1.7 percent and +1.2 percent, respectively).

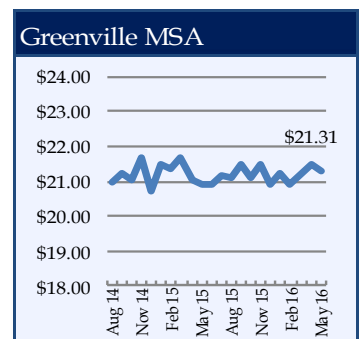
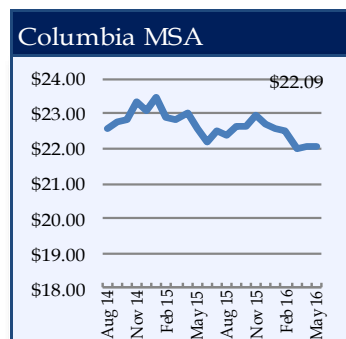
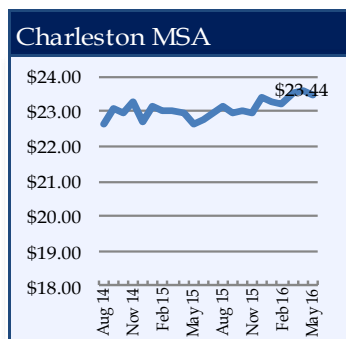
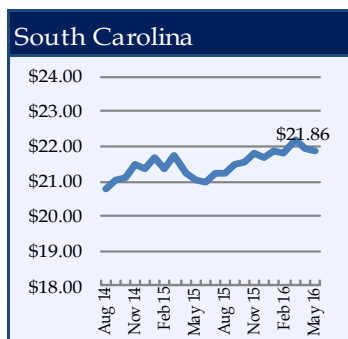
Weekly Initial Claims for Unemployment Insurance



Source: U.S. Department of Labor, Bureau of Labor Statistics

Average Hourly Earnings

These charts present the average hourly earnings of all employees in private industry, based on a monthly national survey of businesses. The data are not seasonally adjusted.



Source: US Department of Labor, Bureau of Labor Statistics



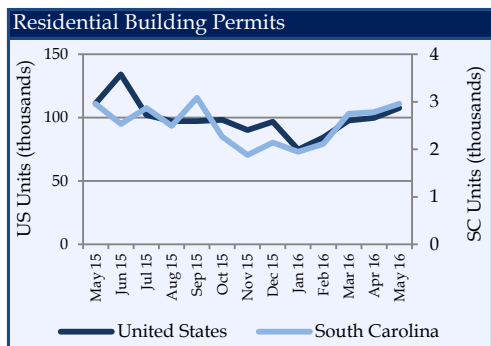
South Carolina Real Estate

Last month, the number of building permits issued in South Carolina for new residential construction rose 6.3 percent to 2,957. This figure nearly matched the results from May 2015 (2,960). Valuation for the permits dipped month-over-month by 1.3 percent, but was up 6.3 percent from one year ago. Total closings for the month rose an impressive 17.6 percent, and median sales price rose 4.1 percent. Both metrics were also up compared to 2015. Foreclosures increased slightly in May.

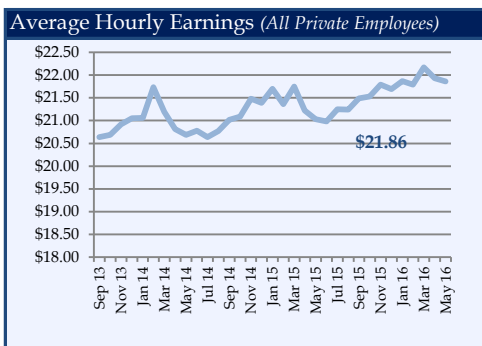
| | Month | Current | Previous Year | % Change Year Ago | 2016 YTD | 2015 YTD | % Change YTD |
|--|-------|-----------|---------------|-------------------|-------------|-------------|--------------|
| Closings | May | 7,674 | 7,022 | 9.3% | 30,513 | 28,496 | 7.1% |
| Median Sales Price* | May | \$182.1 | \$173.2 | 5.1% | \$175.0 | \$165.0 | 6.1% |
| Foreclosures | May | 2,282 | 2,182 | 4.6% | 11,375 | 10,771 | 5.6% |
| Residential Building Permits -Total | May | 2,957 | 2,960 | -0.1% | 12,554 | 13,173 | -4.7% |
| Residential Building Permits -Valuation* | May | \$576,624 | \$542,352 | 6.3% | \$2,598,062 | \$2,566,645 | 1.2% |

*Thousands of US dollars. Source: S.C. Association of Realtors, RealtyTrac, U.S. Census.

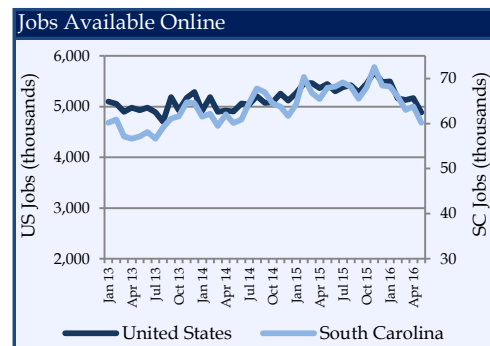
Business Activity



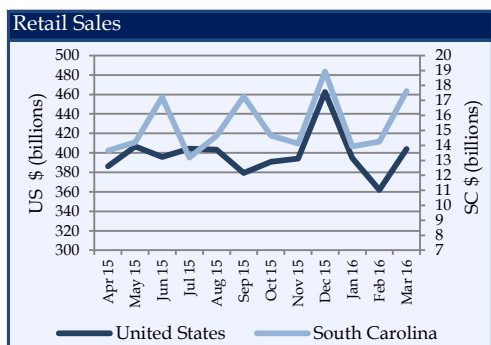
Source: U.S. Census



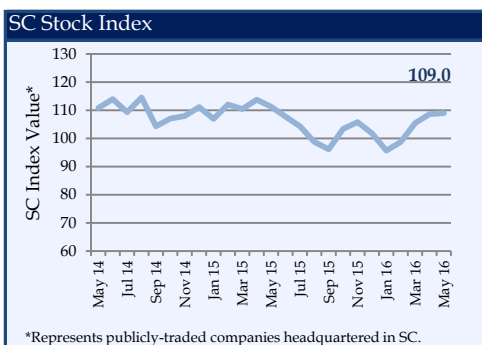
Source: U.S. Department of Labor



Source: The Conference Board Help Wanted Online Index

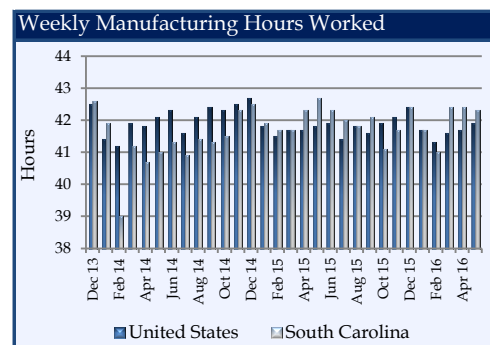


Source: South Carolina Department of Revenue



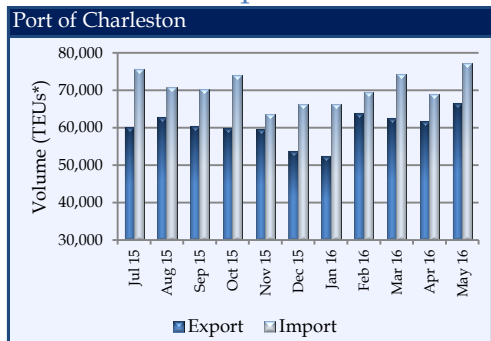
*Represents publicly-traded companies headquartered in SC.

Source: Bloomberg

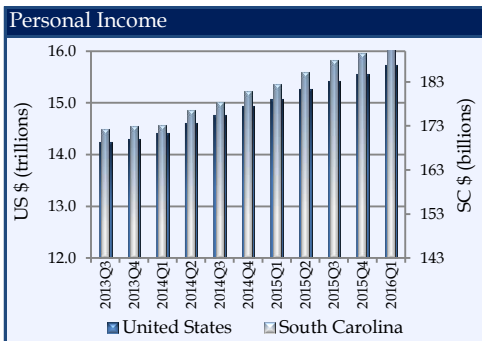


Source: U.S. Department of Labor

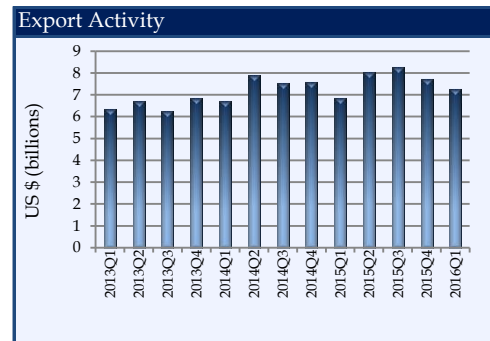
Income and Output



*Twenty-Foot Equivalent Units. Source: SC Ports Authority



Source: U.S. Census



Source: Foreign Trade Division, U.S. Census



South Carolina Regional Update

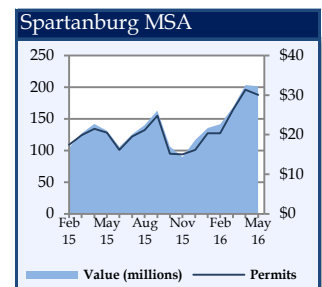
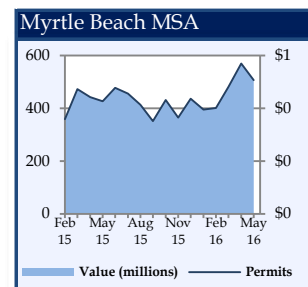
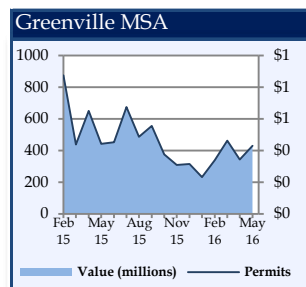
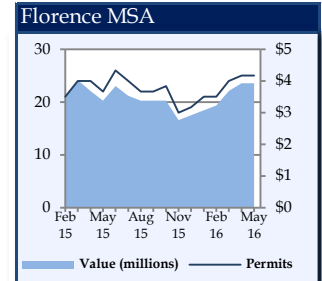
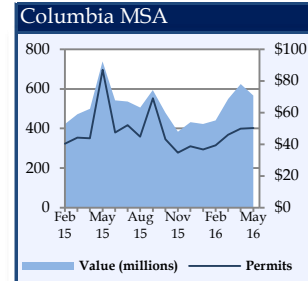
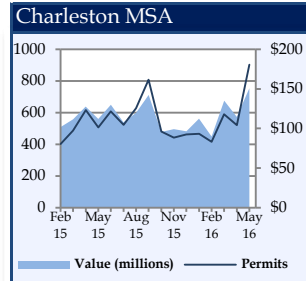
The South Carolina Regional Update provides a snapshot of the most recent economic figures for the six largest Metropolitan Statistical Areas (MSAs) in the state.

Home Sales

| MSA | Indicator | May 15 | May 16 |
|----------------|----------------------|---------|---------|
| Charleston | Sales Volume | 1,470 | 1,696 |
| | Median Price (000's) | \$235 | \$244 |
| Columbia | Sales Volume | 1,063 | 1,209 |
| | Median Price (000's) | \$156 | \$163 |
| Florence | Sales Volume | 175 | 204 |
| | Median Price (000's) | \$133 | \$133 |
| Greenville | Sales Volume | 1,127 | 1,227 |
| | Median Price (000's) | \$171 | \$186 |
| Myrtle Beach | Sales Volume | 1,170 | 1,129 |
| | Median Price (000's) | \$160 | \$159 |
| Spartanburg | Sales Volume | 417 | 427 |
| | Median Price (000's) | \$129 | \$140 |
| South Carolina | Sales Volume | 7,022 | 7,674 |
| | Median Price (000's) | \$173.2 | \$182.1 |

Source: S.C. Association of Realtors.

Building Permits



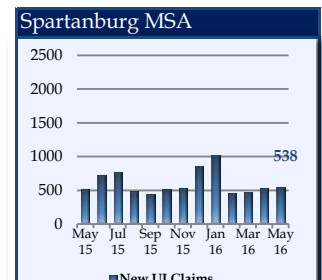
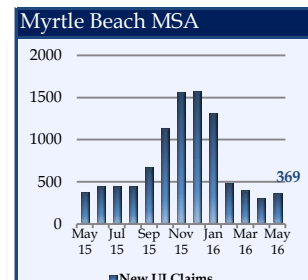
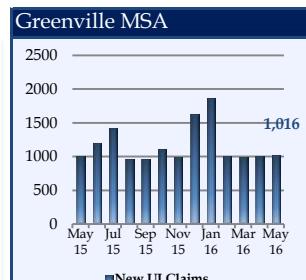
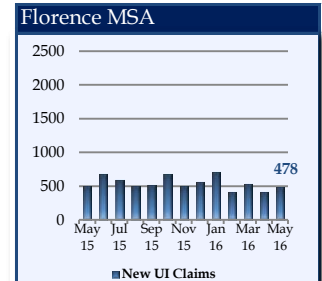
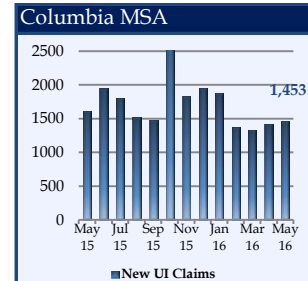
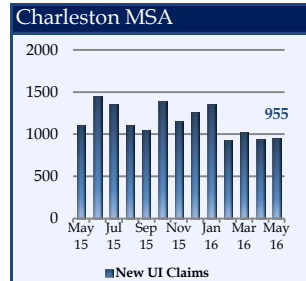
Source: U.S. Census

Employment

| MSA | Indicator | Apr 16 | May 16 |
|----------------|--------------------|---------|---------|
| Charleston | Employment (000's) | 352.6 | 354.5 |
| | Unemployment Rate | 4.5 | 4.2 |
| Columbia | Employment (000's) | 384.8 | 385.3 |
| | Unemployment Rate | 4.8 | 4.5 |
| Florence | Employment (000's) | 90.9 | 91.2 |
| | Unemployment Rate | 5.9 | 5.5 |
| Greenville | Employment (000's) | 404.1 | 405.2 |
| | Unemployment Rate | 4.7 | 4.3 |
| Myrtle Beach | Employment (000's) | 179.4 | 182.4 |
| | Unemployment Rate | 5.8 | 5.3 |
| Spartanburg | Employment (000's) | 146.4 | 145.5 |
| | Unemployment Rate | 5.1 | 4.8 |
| South Carolina | Employment (000's) | 2,181.8 | 2,184.8 |
| | Unemployment Rate | 5.8 | 5.6 |

Source: U.S. Bureau of Labor Statistics (MSA figures not seasonally adjusted)

Unemployment Insurance Claims



Source: SCDOC analysis of SCDEW data

South Carolina Bankruptcy Statistics, May 2016

2,703

Cumulative Filings

-9%

Change from Prior Month

-8%

Change from Prior Year

1.41

Filings Per Capita

40

Number of States with More Per Capita Bankruptcies

Source: American Bankruptcy Institute June 2016